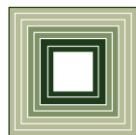


# The North Carolina Office of the State Controller

**Joint Appropriations Subcommittee for General Government**

**March 18<sup>th</sup>, 2015**



**FISCAL RESEARCH DIVISION**  
A Staff Agency of the North Carolina General Assembly

# Outline

- Agency Duties/Responsibilities
- Budget History and Overview
- Requested Information
- Authorizing laws and agency mission
- Division Descriptions

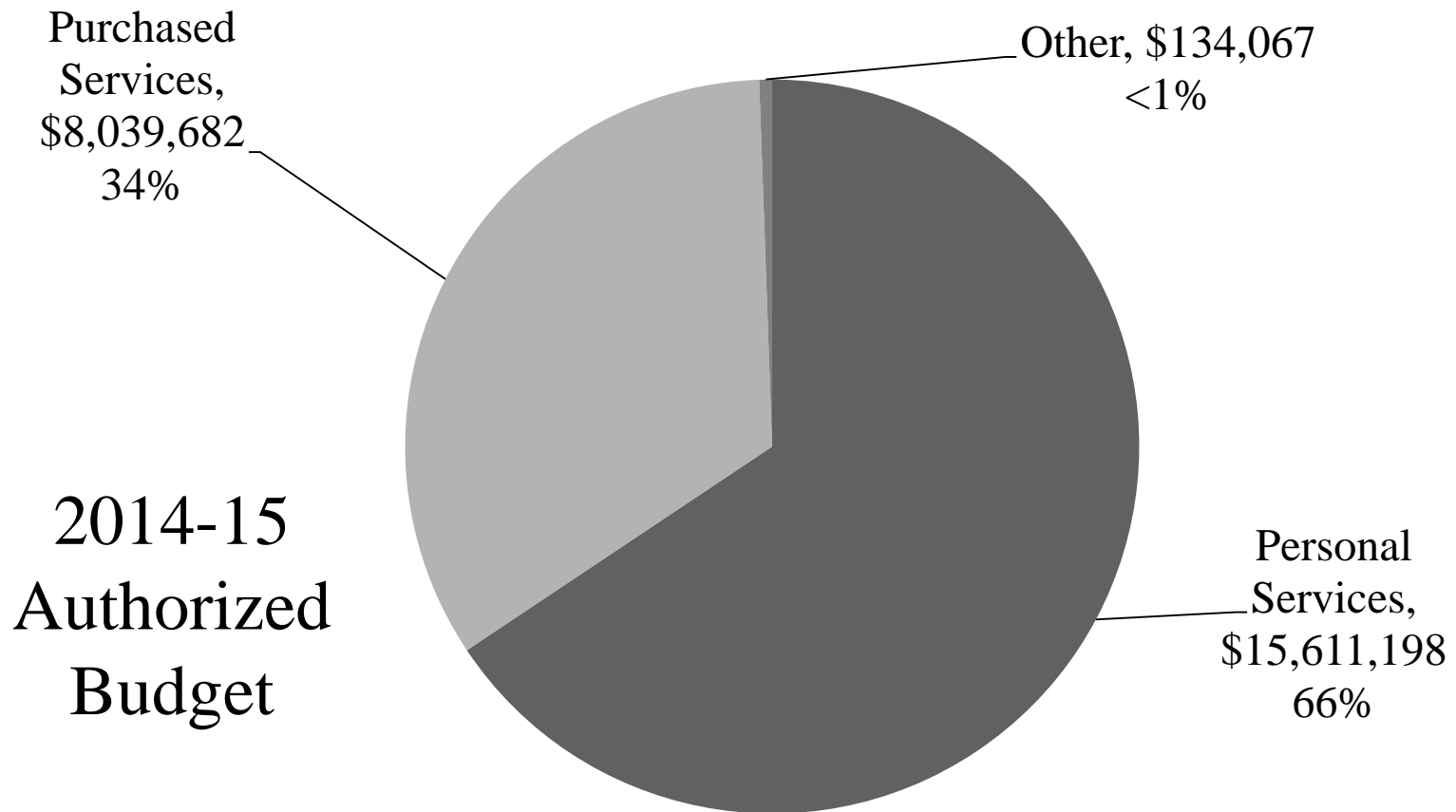
# Agency Duties

- Provide accounting, disbursing, payroll, internal control, data management, eCommerce and financial reporting services to state agencies, employees and the public.
- Maintaining systems, standards, and business processes to ensure that spending is within approved levels
- Produce numerous financial reports including the Comprehensive Annual Financial Report (CAFR)

# NC Office of the State Controller's Budget

	<b>FY 2010-11 Actual</b>	<b>FY 2011-12 Actual</b>	<b>FY 2012-13 Actual</b>	<b>FY 2013-14 Actual</b>	<b>FY 2014-15 Authorized</b>
Total Requirements	\$32,598,254	\$29,491,163	\$30,740,736	\$28,140,942	\$23,784,947
Total Receipts	\$2,579,482	\$968,002	\$1,031,280	\$1,068,805	\$1,422,939
Appropriation	\$30,018,772	\$28,523,161	\$29,709,456	\$27,072,137	\$22,362,008
FTEs	195.75	179.75	178.75	173.75	169

# Breakdown of Expenditures



# Information Requested from OSC

- FICA Fund
  - Source of funds
  - Purpose
- BEACON Funding
  - Hardware refresh and warranty
  - Budget request
- Overpayments Audit
  - S.L. 2013-360

# Questions

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# Authorizing Laws

- GS 134B-426.36-37: Creation of the office and the position of State Controller
  - Appointed to a 7 year term by the Governor
- GS 143B-426.39: Powers and duties of the State Controller
- GS 143 3.1: Transfer of duties from the Office of State Budget and Management and the Office of the State Auditor to the State Controller



# Mission Statement

OSC's mission is to serve as the public's financial guardian by promoting accountability and protecting the financial integrity of the State.

# Administration Division

- Executive management
- Human Resource functions
- Communications
- Business Services
  - Fiscal Management
  - Purchasing
  - Budget and Analysis

# Statewide Accounting Division

- Ensures that state agencies use Generally Accepted Accounting Principles (GAAP)
- Publishes the State's Comprehensive Annual Financial Report (CAFR)
- Manages the Statewide Accounts Receivable Program
- Tax refund management
- Provides accounting support for the North Carolina Accounting System (NCAS)

# Statewide Accounting Division

## Cash Management and Disbursement

- Develops and implements the statewide cash management plan
- Manages the exchange of funds between federal government and North Carolina
- Administers the state disbursing system by authorizing agency spending
- Cash Management Control System (CMCS) is the record of appropriation, allotments, expenditures, and revenues

# Information Technology Division

- Implements and maintains information technology systems except for BEACON
  - North Carolina Accounting System (NCAS)
  - Cash Management Control System (CMCS)
  - NCAS Decision Support System (DSS)
  - Enhancing Accountability in Government Through Leadership Application (EAGLE)
- Maintains public web presence

# HR/Payroll Division

- Building Enterprise Access for North Carolina's Core Operation Needs (BEACON)
- BEACON is the centralized Human Resources and Payroll system for 100,000 state employees
- Coordinates with the Office of State Personnel's human resource and pay policies
- BEST (BEACON Enterprise Support Team) is the support team for payroll and Human Resources
- Public school system, University system, and General Assembly do not use BEACON

# Risk Mitigation Division

- Statewide internal control compliance program run through the EAGLE program
  - Enhancing Accountability in Government through Leadership and Education
- Foreign national tax compliance program
- Credit card industry security compliance
- Overpayment audit and recovery program
  - Contracted out to a third party

# Other Programs within OSC

- Tax Compliance
  - Assists state agencies by monitoring tax legislation and responding to IRS notices
- Statewide Indirect Cost Allocation Plan
  - Determines the cost of central service agencies in order to charge agencies that administer federal grants
- eCommerce
  - Electronic payment oversight
  - Electronic signature
- NC Flex SSI Employer Savings